

## **AMENDMENTS TO THE CLAIMS**

The following listing of claims will replace all prior versions and listings of claims in the application.

### **LISTING OF CLAIMS**

1. (Withdrawn) An automated securities trading system comprising:  
means for formulating decision models for securities;  
means for monitoring real-time market data;  
means for automatically generating a transaction order in response to said data and said decision models; and  
means for transmitting the transaction order to a market computer.
  
2. (Withdrawn) An automated securities trading system as recited in claim 1 wherein said decision model comprises:  
a plurality of levels linked to others of said plurality of levels by Boolean-type logic operators;  
said levels containing a plurality of components;  
said components comprising market data or functions of market data; and,  
decision points for said components.
  
3. (Withdrawn) An automated securities trading system as recited in claim 1 wherein said means for transmitting an order comprises means for placing a buy order, a sell order, a sell short order and a buy to cover order.

4. (Withdrawn) An automated securities trading system as recited in claim 1 further comprising means for receiving market data and storing said market data in a database to be used in the component portion of a decision model.

5. (Withdrawn) An automated securities trading system as recited in claim 1 further comprising means for receiving and storing historical data.

6. (Withdrawn) An automated securities trading system as recited in claim 1 further comprising means for initiating a floating stop loss process.

7. (Withdrawn) An automated securities trading system as recited in claim 1 further comprising means for recording the transaction upon execution of the transaction.

8. (Withdrawn) An automated securities trading system as recited in claim 1 further comprising means for monitoring the status of a transaction order prior to execution of the transaction order.

9. (Withdrawn) An automated securities trading system as recited in claim 1 wherein said means for automatically generating a transaction order comprises:

means for generating a transaction order selected from a group consisting of a market order, bid, ask, preference, SOES order, and limit order;

means for determining which transaction order of said group to submit to the market by considering the group consisting of factors from price momentum, price advantage, availability of shares and activities of market makers;

means for submitting the order to an Internet brokerage; and,

means for submitting the order directly to the market and to electronic communication networks.

10. (Withdrawn) An automated securities trading system comprising:

a network;

a market computer coupled to said network;

a market information computer coupled to said network; and

a computer for formulating a decision model for the security; monitoring real-time market data, in response to market data for the security and the decision model, automatically generating a transaction order, and transmitting the transaction order to a market computer.

11. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said network comprises the Internet.

12. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said decision model comprises at least one level having one or more components.

13. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said components are selected from the group consisting of price, volume, bids, asks, spread, number of shares at each price level of bid or ask, time of posting of each bid or ask, time of sales and number of shares sold, and actions of market makers.

14. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said computer records the transaction upon execution of the transaction.

15. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said computer monitors the market data and cancels an order if the market data as processed by the decision models indicates a trade is undesirable.

16. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said market computer and said market data computer are integral.

17. (Withdrawn) An automated securities trading system as recited in claim 10 wherein said market computer and said market information computer are accessed through a common source.

18. (Withdrawn) An automated securities trading system as recited in claim 17 wherein said common source is an Internet brokerage.

19. (Withdrawn) A method for trading a security comprising the steps of:  
formulating a decision model for the security having a component portion;  
monitoring real-time market data;  
in response to market data for the security and said decision model,  
automatically generating a transaction order; and  
transmitting the transaction order to a market computer.

20. (Withdrawn) A method as recited in claim 19 further comprising the steps  
of recording the transaction upon execution of the transaction.

21. (Withdrawn) A method as recited in claim 19 wherein said transaction  
order is selected from the group consisting of a buy order, a sell order, a sell short  
order, and a buy to cover order.

22. (Withdrawn) A method as recited in claim 19 wherein the step of  
formulating a decision model comprises the step of weighting data used in the  
component portion of the decision models.

23. (Withdrawn) A method as recited in claim 22 wherein said step of  
weighting comprises the step of assigning a function of market data to allow combining  
a weighted data component with one or more other weighted data components.

24. (Withdrawn) A method as recited in claim 19 wherein the step of formulating a decision model comprises the step of establishing an intersection or interaction of data to be used in the component portion of the decision model, said intersection or interaction accomplished by assigning a function of market data to a component so that it can be measured against another component.

25. (Withdrawn) A method as recited in claim 19 wherein the step of formulating a decision model comprises the step of establishing a component to produce a singular value, said singular value being a function of security or market data.

26. (Withdrawn) A method as recited in claim 19 further comprising the steps of;

monitoring the transaction order until the order is filled;

monitoring the market data; and

canceling the transaction order if the market data or decision models indicate a trade is undesirable.

27. (Withdrawn) A method as recited in claim 19 further comprising the step of establishing a floating stop loss level.

28. (Withdrawn) A method as recited in claim 24 wherein said floating stop level comprises a dynamic floating stop loss.

29. (Withdrawn) A method as recited in claim 19 further comprising the step of testing decision models prior to entering into transactions by processing data through decision models and making pseudo transactions that are recorded in the transaction database.

30. (Previously presented) A method for trading a security through a network accessible brokerage, comprising:

- receiving from a client of the network accessible brokerage at least one computer implemented decision model for the security;

- inputting data into the decision model;

- monitoring the decision model;

- in response to monitoring said decision model, automatically generating a buy transaction order; and

- automatically transmitting the buy transaction order to a market computer;

- after the step of transmitting the buy transaction, monitoring the decision model;

- in response to monitoring said decision model, automatically generating a sell transaction order; and

- automatically transmitting the sell transaction order to the market computer.

31. (Previously presented) A method as recited in claim 30 wherein the step of generating a transaction order comprises after the step of generating a sell order;

- monitoring the sell order until the order is filled;

monitoring the decision model; and

canceling the sell order if the decision model indicates a trade is undesirable.

32. (Previously presented) A method as recited in claim 30 further comprising after the step of transmitting the buy transaction order, establishing a floating stop loss level.

33. (Previously presented) A method as recited in claim 32 wherein said floating stop loss level comprises a dynamic stop loss.

34. (Withdrawn) An automated securities trading system coupled to a market computer and a data source computer comprising:

an Internet trading computer coupled to the market computer and the data source computer; and

a user terminal coupled to said Internet trading computer;

said Internet trading computer programmed to store decision models input through said user terminals, said Internet trading computer monitoring real-time market data and in response to said market data, automatically generating a transaction order and transmitting said transaction order to said market computer.

D<sup>1</sup> 35. (Currently Amended) A process for automated trading of a security through a brokerage computer system in communication with a client computer system, comprising:

providing a brokerage having a brokerage computer system for transacting orders to buy and sell securities, wherein the brokerage computer system is in communication with a plurality of client computer systems operated by a plurality of unrelated clients;

receiving to the brokerage computer system from the client computer system at least one computer implemented buy decision model for the security;

receiving to the brokerage computer system from the client computer system at least one computer implemented sell decision model for the security;

providing a computer implemented monitoring process on the brokerage computer system for monitoring the decision models for a buy decision and/or a sell decision;

P1 providing a computer implemented transaction approval process on the brokerage computer system for determining after the decision to buy and/or sell the security is made if a transaction to buy or sell the security is appropriate;

providing a computer implemented transaction submission process on the brokerage computer system for submitting a transaction to buy or sell the security to a market computer system and monitoring the transaction until it is completed;

inputting data into the buy decision model and the sell decision model wherein the data comprises data for the security;

monitoring the decision models through the monitoring process for the buy decision and/or the sell decision;

if the buy decision is reached then determining through the transaction approval process if a buy transaction is appropriate and if so then automatically submitting to a

market computer system through the transaction submission process an order to buy the security;

if the sell decision is reached then determining through the transaction approval process if a sell transaction is appropriate and if so then automatically submitting to a market computer system through the transaction submission process an order to sell the security; and

continuing inputting data into the decision models, monitoring the decision models through the monitoring process, and repeating the steps if the buy decision is reached or the sell decision is reached until the process is stopped.

36. (Withdrawn) The automated process for trading a security of claim 35, wherein the transaction approval process, the transaction submission process, the buy decision model, and the sell decision model are on a computer system for a network accessible brokerage wherein the buy decision model and the sell decision model are provided to the network accessible brokerage through a client computer system in communication with the network accessible brokerage.

37. (Currently Amended) A process for automated trading a security through a network accessible brokerage in communication with a client comprising the steps of:

*D2* a. providing a network accessible brokerage comprising a brokerage computer system;

[[a.]]b. accepting to the brokerage computer system from the client one or more computer implemented decision models for a security wherein the one or more decision

models comprise logic for deciding to buy the security and logic for deciding to sell the security;

[[b.]]c. providing on the brokerage computer system a computer implemented monitoring process for monitoring the one or more decision models for a decision to buy the security and/or a decision to sell the security;

[[c.]]d. providing on the brokerage computer system a computer implemented transaction approval process for determining if a transaction to buy or sell the security is appropriate once the decision to buy or the decision to sell has been made;

P2  
[[d.]]e. providing on the brokerage computer system a computer implemented transaction submission process for submitting the transaction to buy or sell the security to a market computer system and monitoring the transaction until it is completed;

[[e.]]f. inputting data into the one or more decision models, wherein the data is input into the one or more decision models until the process is stopped;

[[f.]]g. monitoring the one or more decision models using the monitoring process, for the decision to buy and/or the decision to sell;

[[g.]]h. if the decision to buy or the decision to sell is reached then determining using the transaction approval process if a buy or sell transaction is appropriate and if so then automatically submitting using the transaction submission process an order to buy or sell the security; and

[[h.]]i. iteratively repeating above steps f-g. and g-h. until the process is stopped.

38. (Previously presented) The process of claim 37 wherein the decision model comprises a moving average calculation of at least a portion of the data.

39. (Previously presented) The process of claim 37 wherein the decision model comprises a weighted data process.

40. (Previously presented) The process of claim 37, further comprising:  
after the steps of submitting an order to buy the security and monitoring the transaction until it is completed, automatically initiating a floating stop loss process for selling the security wherein either the floating stop loss process or the decision model can reach a decision to sell the security.

41. (Previously presented) The floating stop loss of claim 40 wherein the floating stop loss is a dynamic floating stop loss.

42. (Previously presented) The process of claim 37 further comprising the step of validating the data before the step of inputting the data into the decision model.

43. (Previously presented) The process of claim 37 wherein the decision model further comprises logic to sell short the security and logic to buy to cover the security.

44. (Previously presented) An automated trading system for trading securities through an network accessible brokerage, the automated trading system comprising:

at least one client computer in communication with the automated trading system via the network wherein the client computer is operated by a client computer user;

at least one computer implemented decision model for deciding whether to buy or sell a security wherein the decision model comprises logic for buying and selling the security, wherein the at least one decision model enters a state comprising a buy state and a sell state;

a data input processor for receiving data from a data source and inputting the data into the decision model;

a computer implemented decision monitor for monitoring the state of the at least one decision model;

a computer implemented transaction approval processor for determining if a transaction to buy or sell the security is appropriate if the at least one decision model enters the buy state and/or the sell state; and

a computer implemented transaction submission processor for submitting a transaction to buy or sell the security if approved by the transaction approval processor,

wherein the decision monitor continuously monitors the at least one decision model and the security is repeatedly bought and sold based on the state of the at least one decision model and the determination of the transaction approval processor.

45. (Previously presented) The automated trading system of claim 44, wherein the logic of the decision model is defined by the user.

46. (Previously presented) The automated trading system of claim 44, wherein the logic of the decision model comprises a moving average.